



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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April 29, 2010

TO: Supervisor Gloria Molina, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe  
Auditor-Controller

SUBJECT: **REPORT OF TREASURER AND TAX COLLECTOR'S CASH  
DIFFERENCE FUND REPLENISHMENTS FOR THE FISCAL  
YEAR ENDED JUNE 30, 2009**

On October 21, 2008, your Board adopted a resolution pursuant to Section 29380.1 of the Government Code, which authorized the Auditor-Controller to replenish the Treasurer and Tax Collector's (TTC) Cash Difference Fund (Fund). The Government Code also requires the Auditor-Controller to provide your Board with an annual written report and accounting of the Fund. This is our first report and attached is an accounting of the Fund for the fiscal year ended June 30, 2009.

**Background**

On July 5, 1966, your Board, in accordance with the provisions of Section 29370 et seq. of the Government Code, established a Fund for TTC to replenish cash shortages in the tax collection process in Petty Shy amounts. Effective July 1, 2008, in accordance with Section 2611.5 of the Revenue and Taxation Code, TTC increased the Petty Shy limit to ten dollars (\$10) for all secured and unsecured tax payments from a one dollar (\$1) and two dollar (\$2) limit, respectively. TTC currently uses the fund to replenish small (\$10 or less) cash shortages stemming from tax payments processed through the mail and unaccounted small cash shortages from TTC's cashiering window operations.

### **Summary of Activity**

The Fund's dollar amount was increased by \$33,300, from \$16,700 to \$50,000, as authorized by your Board on October 21, 2008. During Fiscal Year (FY) 2008-2009, TTC requested two replenishments totaling \$65,248.47 for cash shortages incurred. The shortages were associated with the following activities:

- **Petty Shy Tax Payments** – Minor amounts of money short of the amount due in processing mail payments. Petty Shys during the period totaled \$63,047.95.
- **Cashier Window Shortages** – Cash shortages, including the receipt of counterfeit currency from TTC's cashiering windows. The cashier discrepancies for the period totaled \$2,200.52.

Our Accounting Division replenished \$65,248.47 to the Fund as requested by TTC. The cash balance of the Fund as of June 30, 2009 was \$50,000.00.

Please call me if you have any questions, or your staff may contact Connie Yee at (213) 974-8321.

WLW:MMO:JN:CY:wm

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Attachment

c: William T Fujioka, Chief Executive Officer  
Mark J. Saladino, Treasurer and Tax Collector  
Jim Schneiderman, Auditor-Controller, Audit Division  
Public Information Office  
Audit Committee

**Auditor-Controller**  
**Report of Treasurer and Tax Collector Cash Difference Fund**  
**July 1, 2008 Through June 30, 2009**

Beginning Balance, July 1st

Initial Balance	7/1/2008	\$ 16,700.00	
Increase in Cash Difference Fund	11/14/2008	<u>33,300.00</u>	\$50,000.00
Less Disbursements per Cash Difference Report:			
Petty Shys:	7/01/08-3/12/09	13,793.76	
	3/13/09-6/30/09	49,254.19	
			63,047.95
Shortages:	7/01/08-3/12/09	1,130.50	
	3/13/09-6/30/09	<u>250.02</u>	
			1,380.52
Counterfeit:	7/01/08-3/12/09	450.00	
	3/13/09-6/30/09	<u>370.00</u>	
			<u>820.00</u>
Total Disbursements			65,248.47
Plus Receipts:			
Authorized Replenishments:			
Replenishment for 7/1/08 - 3/12/09		13,724.26	
Replenishment for 7/1/08 - 3/12/09		1,650.00	
Replenishment for 3/13/09 - 6/30/09		49,874.21	
Total Receipts			<u>65,248.47</u>
Ending Balance, June 30th			<u><u>\$50,000.00</u></u>